

LOK SABHA DEBATES

Lok Sabha

*Wednesday, March 18, 1992/Phalguna 28,
1913 (Saka)*

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

[English]

SHRI BASU DEB ACHARIA: Mr. Speaker, Sir, the House should congratulate Shri Satyajit Ray for getting the Oscar Award. We also feel very much concerned about his health. We wish him early recovery.

MR. SPEAKER: I think the House will agree with your views. We congratulate him and wish him a long life.

Now, Question No. 306, Shri Srikanta Jena.

ORAL ANSWERS TO QUESTIONS

[Translation]

Public Sector Undertakings In Orissa

*306. SHRI SRIKANTA JENA: Will the PRIME MINISTER be pleased to state:

(a) the profit/loss in each of the public sector undertakings in Orissa during the last three years;

(b) the number of such public sector undertakings closed down due to losses during the above period;

(c) the reasons for the sickness of these undertakings;

(d) the steps taken for their revival;

(e) whether the Government propose to protect the interest of workers/employees of these undertakings; and

(f) the details of the proposals for setting up of new public sector undertakings in Orissa?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P.K. THUNGON): (a) to (f). A Statement is laid on the Table of the House.

(a) Net Profit (+) /loss(-) of five Central public sector enterprises having their registered offices in the State of Orissa is given below:-

(Rs. in crores)

Name of the PSE	1990-91	1989-90	1988-89
National Aluminium Co. Ltd.	71.94	156.87	18.92

(Rs. in crores)

<i>Name of the PSE</i>	<i>1990-91</i>	<i>1989-90</i>	<i>1988-89</i>
Neelachal Ispat Nigam Ltd. (Under construction)			
Paradeep phosphates Ltd.	(-) 47.25	(-) 36.92	13.61
Orissa Drugs & Chemicals Limited	(-) 0.58	(-) 0.31	(-) 0.27
Utkal Ashok Hotel Corpn. Limited	(-) 0.07	(-) 0.28	(-) 0.10

(b) No Central PSEs has been closed down.

(c) There is only one central PSE (Orissa Drugs & Chemicals Ltd.) in the State of Orissa which comes under the definition of sick industrial company as per Sick Industrial Companies (Special provisions) Act, 1985. The main reasons for its sickness are:-

Lack of active support by State Government for Drug purchases.

Lack of market field force.

(d) The company propose to modernise/renovate/expand the manufacturing facilities, strengthen the marketing set up, control cost and concentrate on high volume parentals.

(e) While framing suitable revival-rehabilitation schemes, BIFR will also protect the interest of workers. National Renewal Fund has been set up for this purpose.

(f) Setting up of public sector units at a particular location depends upon the techno-economic feasibility and availability of resources.

SHRISRIKANTA JENA: Sir, I would like to draw the attention of the hon. Minister to the last part of his answer. It says:

"Setting up of public sector units at a particular location depends upon the techno-

economic feasibility and availability of resources.

In the backward regions like Orissa where infrastructure is not available, only if you set up new industries, the ancillary industrial units will come up and other facilities will also come up. Of course, setting up of an industry depends upon the availability of funds. May I know from the hon. Minister as to what exactly the techno-economic feasibility is? I would also like to know whether any special considerations have been given for the backward State of Orissa and whether there is any proposal in the Eighth Plan to set up new industries in Orissa giving preference to the backward regions.

SHRI P.K. THUNGON: Sir, it is a well-known policy of the Government that while setting up new industries regional imbalance is one of the main points which is kept in mind. So far as the techno-economic feasibility is concerned, I would like to inform the hon. Member, through you, Sir, that if the project is technically feasible and economically viable after making all the studies, then only the final decision is taken.

That decision is taken only when the resources of funds are available for setting up such a project. About the technical feasibility, I may explain further that, if that a particular place the technical aspects are such that those technical conditions cannot be fulfilled, naturally the industry cannot be viable. Similarly, if it is not economically viable, certainly the hon. Member would not

like to ask us to set up the industry which will ultimately become sick. If it is not economically viable, then certainly its future is dark. Therefore, these are the conditions which we keep in mind while setting up industries.

SHRI SRIKANTA JENA: Unless a project is technically viable, feasible and economically viable, neither the Government nor the private entrepreneurs will set up an industry. This is the normal practice. So, asking all these conditions into considerations, I would like to know whether any survey has been conducted by your Department or by the Government of India as to how many industries are viable in Orissa.

At what stage it is pending at the Government of India level? How many projects have been recommended by the State Government to the Government of India for the clearance and how many projects are still pending with you for clearance?

SHRI P.K. THUNGON: I think, it is a wider question. So far as the public sector enterprises are concerned, as I have stated, we have only five public sector enterprises set up in the whole of Orissa. So far as new projects are concerned, at the moment, we do not have any ready proposal.

SHRI SRIBALLAV PANIGRAHI: This question relates to the loss and profit of public undertakings in Orissa.

The Minister in his reply part(a) has given only five names whose headquarters are located in Orissa. But besides this, there are several units of public sector undertakings in Orissa, whose headquarters or corporate office are located outside Orissa.

I would draw the attention of the hon. Minister to the Monograph of the Performance and Status of Central Public Sector Enterprises Volume-II, page 3 wherein the Fertilizer Corporation of India Ltd., Talcher unit is shown as loss-making unit, a unit

which has developed industrial sickness and also about the steps proposed. It has been suggested that it would be either transferred or sold to workers cooperatives or private enterprise. This is a unit which is suffering from sickness, which has developed sickness due to the defect in German technology. All the coal-based fertilizer plants in the world are running into trouble and more so in India, Ragundam and Talcher plants. There are also some technical expert studies made to revamp and restructure these units.

Instead of proposing to sell or transfer the Talcher unit to some other organisation or labour cooperatives, since no labour cooperate is coming forward, whether the Government will come forward for providing necessary remedial measures?

Secondly, Orissa and India at large is suffering from power shortage. In Orissa there is a lot of coal. There is ample and abundant power grade coal reserve available in Orissa. The technical and feasibility survey has been made about another super thermal power plant near Jharsiguda at Hirma. I would like to know whether that project will be cleared and financial clearance will be given for setting up of NTPC plant at Hirma in Orissa on priority basis?

SHRI P.K. THUNGON: I must admit that some of the units are sick. So far as remedial measures are concerned, I can assure the hon. Member that whatever steps to revive or diversify or re-vitalised those units are required those are being taken up by the respective administrative Ministries. I may mention that the sick units are now referred to BIFR for formulating rehabilitation and revival scheme. The pros and cons are weighed as to in what manner it can be revived. That is why, we have informed all the Chief Executives that those sick units which are eligible for referring to BIFR should be referred to BIFR.

So far as the power aspect is concerned, thermal power plant is concerned, this does not concern with this Question.